

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. 01-14

Introduced by Council President Hirsch at the request of the County Executive

Legislative Session Day No. 01-17

Date: May 15, 2001

AN ORDINANCE to authorize and empower Harford County, Maryland to borrow, on its full faith and credit, and issue and sell its bonds or other form of indebtedness therefore (including lease financing), in an amount not to exceed Four Hundred Thousand Dollars (\$400,000.00) principal amount, the proceeds thereof to be used for the Technology Drive Extension (Stadium), (the "Project") as described in the Annual Budget and Appropriation Ordinance, as amended, Bill No. 01-9, for the year ending June 30, 2002 and as described in this Ordinance (collectively the "Project") in accordance with Section 524 of the Charter of Harford County ("Charter") and Section 123-40 of the Code of Harford County ("Code") or as otherwise permitted by law, authorizing the County

May 15, 2001

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: ~~June 12, 2001~~ July 10, 2001

at: 7:30 P.M.

By Order: James E. Massey, Jr., Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____

_____, Council Administrator

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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OF

HARFORD COUNTY, MARYLAND

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Introduced by Council President Hirsch at the request of the County Executive

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Council of Harford County, Maryland to adopt an administrative resolution that shall provide for the form of instrument by which any indebtedness or financing obligation is to be evidenced, the manner by which any indebtedness, line of credit, financing lease or similar obligation may be secured and the rate(s) of interest to be paid, and generally for such other matters as may be deemed appropriate by the County Council of Harford County, Maryland in connection herewith and authorizing the County Executive of Harford County, Maryland by Executive Order, to determine the form of various documents as are necessary to implement the financing authorized herein, the manner of issuance and delivery of any evidences of indebtedness, the payment of all necessary expenses in connection therewith, the method by

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

PUBLIC HEARING

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_____, Council Administrator

EXPLANATION:

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which such evidences of indebtedness shall be sold, maturity schedule, and redemption provisions; authorizing the indebtedness to be sold at public sale, or at private sale including sale to the Maryland Department of Transportation; authorizing the appointment of certain agents; and otherwise generally relating to the issuance, sale, delivery and payment of any such evidences of indebtedness or financing obligations; providing that such indebtedness shall be issued upon the full faith and credit of Harford County, Maryland; providing for the issuance of bond anticipation notes upon passage of a resolution by the County Council of Harford County, Maryland approving the interest rate or rates on said bond anticipation notes for all or a portion of the Project described herein, for which the proceeds of sale of the bond anticipation notes shall be used; providing that within twelve (12) months after the issuance of the bond anticipation notes, or any renewal thereof, the County Council of Harford County, Maryland shall

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

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_____, Council Administrator

EXPLANATION:

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authorize the issuance of bonds to pay said bond anticipation notes; providing for disbursement of the proceeds of the sale of such bonds and for the levying of charges, assessments and all taxes necessary to provide payment of the principal and interest on such bonds; providing that certain additional matters may be determined by resolution of the County Council of Harford County, Maryland or may be reserved unto the County Executive as prescribed by such resolution; providing the method of fixing the interest rates to be borne by such bonds and generally providing for and determining various matters in connection therewith; and generally relating to funding of the Project.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Council Administrator

PUBLIC HEARING

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_____, Council Administrator

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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1 WHEREAS, in accordance with the provisions of Section 406 of the Charter of Harford
2 County, the Director of Planning has heretofore transmitted to the County Executive the
3 recommendations of the Planning Advisory Board for certain Capital Improvements; and

4 WHEREAS, in accordance with the provisions of Section 505 of the Charter of Harford
5 County, the County Executive has reviewed such recommendations in light of the existing capital
6 programs and the County Executive and the Director of Administration have included such
7 recommendations for capital improvements, as amended, in the proposed Capital Program which has
8 been submitted to the County Council of Harford County, Maryland and the County Council of
9 Harford County, Maryland has adopted the Capital Program and Capital Budget for the year ending
10 June 30, 2002, pursuant to Bill No. 01-9, As Amended; and

11 WHEREAS, upon request of the County Executive and Resolution of the County Council of
12 Harford County, Maryland, Harford County may sell bond anticipation notes in an amount not
13 greater than the amount of bonds authorized herein, in anticipation of the subsequent sale of the
14 bonds, for all or a portion of the cost of the Project described herein in accordance with the
15 provisions of Article 31, Section 12 of the Annotated Code of Maryland (1997 Replacement
16 Volume, 2000 Supplement, 2001 Advance Code Service); and

17 WHEREAS, as a part of the said Capital Program and the said Capital Budget, it is necessary
18 that Harford County, Maryland, borrow a sum not exceeding Four Hundred Thousand Dollars
19 (\$400,000) to be used to finance the cost of the acquisition, construction, reconstruction,
20 improvement, extension, site acquisition, architectural and engineering services, and furnishings and
21 equipment for the Project, including financial, legal and planning expenses related thereto; and

22 WHEREAS, the County Council of Harford County, Maryland has authority to incur debts
23 on behalf of Harford County, Maryland; and
24
25

1 WHEREAS, the County Council of Harford County, Maryland is hereby authorized to enact
2 an Ordinance adopted in accordance with Section 524 of the Charter of Harford County and other
3 applicable provisions of law providing for the issuance and sale and for the designation, form, tenor,
4 denomination, maturities, and the interest rates payable on any bonds or other form of indebtedness
5 issued under this Ordinance; and to levy annually *ad valorem* taxes upon the assessable property
6 within the County sufficient, together with other taxes and other available funds, to provide for the
7 payment of the interest on and principal of any bonds so issued; and

8 WHEREAS, the proposed bond issue or other form of indebtedness is within the legal
9 limitation on the indebtedness of Harford County, Maryland; and

10 WHEREAS, it is necessary to provide funds for the construction, reconstruction,
11 improvement, extension, acquisition, alteration, repair and modernization, the cost of acquiring any
12 sites, making site improvements, architectural and engineering services, including preparation of
13 plans, drawings and specifications, the development of the grounds and landscaping thereof,
14 financial, legal and planning expenses and all customary appurtenances and equipment for the
15 Project; and

16 WHEREAS, after written recommendation of the County Executive, public hearing and
17 affirmative vote of at least four (4) members of the County Council of Harford County, Maryland,
18 the capital budgets authorizing the Project has been amended and adopted; and

19 WHEREAS, the financing or indebtedness herein authorized, including the aggregate
20 principal amount of bonds or other indebtedness in an amount not to exceed Four Hundred Thousand
21 Dollars (\$400,000), and interest rate(s), shall be evidenced and incurred pursuant to a resolution or
22 resolutions ("Resolution") to be adopted by the County Council of Harford County, Maryland upon
23 written recommendation of the County Executive, pursuant to this Ordinance and other terms of sale,
24

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1 including, but not limited to maturity schedule, redemption provisions, form of bond, and date of
2 sale shall be determined by the County Executive of Harford County, Maryland by Executive Order.

3 NOW, THEREFORE, IN ACCORDANCE WITH THE PROVISIONS OF THE CHARTER,
4 THE CODE AND THE LAWS OF THE STATE OF MARYLAND:

5 SECTION 1. Be it enacted by the County Council of Harford County, Maryland that, acting
6 pursuant to the authority of the Charter, the Code and the laws of the State of Maryland, Harford
7 County, Maryland (the "County") hereby authorizes and approves the incurring of debt or the
8 payment of purchase price or rental installments for the purpose of financing a portion of the cost of
9 capital equipment, improvements, extensions, modifications, alterations, or any combination thereof
10 to the property of the County, together with the acquisition of all necessary property rights and
11 equipment, and all related architectural, financial, legal, planning, design and engineering expenses
12 associated with such capital equipment, improvements, extensions, modifications or alterations for
13 the Technology Drive Extension (Stadium).

14 The principal amount of indebtedness to be incurred hereunder shall not exceed Four
15 Hundred Thousand Dollars (\$400,000).

16 SECTION 2. And be it further enacted by the County Council of Harford County, Maryland
17 that prior to the issuance, sale and delivery of any bonds, bond anticipation notes, notes, evidences of
18 indebtedness, line of credit, financing lease or installment purchase obligation in reliance on this
19 Ordinance, the County Council of Harford County, Maryland shall (without limitation) determine
20 administratively in the Resolution:

21 (a) the form of instruments or agreements by which the debt or financing
22 authorized herein shall be evidenced (including, but not limited to, bonds, bond anticipation notes,
23 notes, book entry, community participation bonds, letters of credit, trust agreements, trust indentures,
24 financing or installment purchase lease or similar financing agreement, or participation in any "bond

1 bank" or bond pooling arrangement administered by the State of Maryland or a subsidiary entity of
2 it);

3 (b) the manner, if any, by which any indebtedness or financing shall be secured
4 including, but not limited to, a letter or letters of credit, bond or other such insurance and a pledge of
5 the full faith and credit and unlimited taxing power of the County);

6 (c) the rate or rates of interest or method of determining such rate or rates; and

7 (d) whether the financing is to be accomplished by public sale, private
8 (negotiated) sale or by private placement, and if at private sale, the terms of such sale, including
9 interest rate, redemption provisions, dates of payment and other terms of financing (including sale to
10 the Maryland Department of Transportation).

11 The Resolution shall be deemed to be of an administrative nature and shall be effective upon
12 the date specified in the Resolution.

13 SECTION 3. And be it further enacted by the County Council of Harford County, Maryland
14 that the County Executive of Harford County, Maryland shall determine the following matters by
15 Executive Order:

16 (a) the principal amounts, date, denominations, maturity payment provisions and
17 prepayment, tender and/or redemption provisions (if any) and other terms and conditions thereof;

18 (b) the substantially final form and contents and consent to the distribution (and
19 shall authorize the execution and delivery, where applicable) of various agreements and documents if
20 deemed necessary by the County Executive to implement the financing authorized herein, including,
21 but not limited to, a Preliminary Official Statement (if any) and/or an Official Statement (if any), and
22 in the event any evidence of indebtedness is sold through competitive bidding, a Notice of Sale, and
23 in the event any evidence of indebtedness is sold by private (negotiated) sale, a Purchase Contract
24 with the Underwriter(s) thereof (if deemed appropriate by the County Executive), and if any

1 indebtedness is issued in book entry form, securities depository agreements, (collectively the
2 "Documents"), required for the issuance, sale and delivery of any evidence of indebtedness or the
3 completion of the financing authorized herein, which Documents shall contain such provisions as
4 may be required by law or to consummate the financing authorized herein;

5 (c) the manner in which any evidence of indebtedness, lease financing or
6 installment purchase obligation shall be executed, sealed and attested (which may be by facsimile
7 signature and/or seal);

8 (d) provision for the payment of all necessary expenses of preparing, printing and
9 selling any evidence of indebtedness and the Documents including, without limitation, any and all
10 costs, fees and expenses incurred by or on behalf of the County in connection with the authorization,
11 issuance, sale and delivery of any bonds or notes or other evidence of indebtedness, and all costs
12 incurred in connection with the development of the Documents, including the fees of counsel to the
13 County, and compensation to any persons (other than full-time employees of the County) or entities
14 performing services for or on behalf of the County in connection therewith and in connection with all
15 other transactions contemplated by this Ordinance regardless of whether the proposed financing is
16 consummated;

17 (e) the name or designation of the indebtedness, provided that unless otherwise
18 designated, the indebtedness shall be known as Harford County Road Bonds of 2001;

19 (f) such other matters in connection with the consummation of the financing
20 transactions contemplated by this Ordinance as may be deemed appropriate by the County Executive
21 of Harford County, Maryland, including (without limitation) the appointment of agents (including,
22 but not limited to, trustees, paying agents, indexing agents and/or registrars) in connection with the
23 financing, the execution, acknowledgment, sealing and delivery of such other and further
24 agreements, documents and instruments, and the authorization of the officials of the County to take

any and all actions, as are or may be necessary or appropriate to consummate the transactions contemplated by this Ordinance in accordance with the terms hereof and of the Resolution.

The Executive Order shall be effective upon the date specified in the Executive Order.

SECTION 4. And be it further enacted by the County Council of Harford County, Maryland that authority is hereby conferred respectively on the County Executive of the County, the Director of Administration, the Treasurer, the County Attorney and the Council Administrator of the County Council of Harford County, Maryland, or any of them, and they are hereby directed to take the following actions on behalf of the County:

(a) to execute, acknowledge, seal and deliver the Documents substantially in the forms determined administratively by the County Council of Harford County, Maryland in the Resolution; and

(b) to execute, acknowledge, seal and deliver such other and further certificates, certifications, agreements, documents and instruments and take such other acts as they or any one or more of them may deem necessary or appropriate to consummate the transactions contemplated by this Ordinance in accordance with the provisions hereof and of the Resolution.

SECTION 5. And be it further enacted by the County Council of Harford County, Maryland that the Treasurer, or his authorized deputy, is hereby authorized and empowered to prepare and distribute copies of the Documents to any person who may, in his judgment, be interested in participating in the financing of the Project or who may request the same or information with respect thereto; provided, however, that any preliminary official statement and related material shall be clearly marked to indicate that they are subject to completion and amendment.

SECTION 6. And be it further enacted by the County Council of Harford County, Maryland that, the County hereby covenants and agrees, with each of the holders, from time to time, of any of the bonds or other indebtedness, that it shall promptly cause to be levied against all assessable

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1 property within the County annually, so long as any of the bonds or other indebtedness are
2 outstanding and not paid, an *ad valorem* tax sufficient in rate and amount to provide for payment of
3 such principal of, premium (if any) and interest on the bonds or other indebtedness when due. Such
4 tax shall be levied in accordance with the Charter. The County, by the passage of this Ordinance,
5 hereby covenants and agrees properly and promptly to perform all of the respective acts and duties
6 defined in the Charter for the levy and collection of the aforesaid *ad valorem* tax upon all the
7 assessable property within the corporate limits of the County, as the levy and collection of such a tax
8 becomes necessary in order to provide for the payment of principal of, premium (if any) and interest
9 on the bonds or other indebtedness.

10 SECTION 7. And be it further enacted by the County Council of Harford County, Maryland
11 that if the County Council of Harford County, Maryland determines in the Resolution that it is in the
12 best interests of the County to sell any evidence of indebtedness or lease financing or installment
13 purchase obligation by private (negotiated) sale, the County Council of Harford County, Maryland
14 hereby authorizes (a) the City Executive to appoint (if deemed necessary by the County Executive)
15 an underwriter (the "Underwriter") in connection with the sale thereof, and (b) the payment by the
16 County to the Underwriter out of the proceeds of the sale thereof or otherwise for services rendered
17 in connection therewith, such compensation to be determined in the Resolution.

18 SECTION 8. And be it further enacted by the County Council of Harford County, Maryland
19 that the County Executive is hereby authorized and empowered for and on behalf of the County (a)
20 to cause the preparation, printing, execution and delivery of the Documents, each substantially in the
21 form provided in the Resolution or in the Executive Order of the County Executive, with such
22 modifications, supplements or amendments thereto as may be recommended by counsel; and (b) to
23 do all such things as may be necessary or desirable in the opinion of the County Executive in
24 connection therewith.

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1 SECTION 9. And be it further enacted by the County Council of Harford County, Maryland
2 that nothing herein contained shall authorize the expenditure of County funds until such time as such
3 expenditure shall have been appropriated by the County Council of Harford County, Maryland, and
4 this Ordinance shall not be construed as authorizing or approving any project not otherwise
5 authorized or approved by all appropriate legal authorization.

6 SECTION 10. And be it further enacted by the County Council of Harford County,
7 Maryland that the term and maturity schedule of the bonds or other indebtedness may be changed,
8 increased or decreased upon Executive Order of the County Executive, but the aggregate principal
9 amount of indebtedness to be incurred shall not exceed Four Hundred Thousand Dollars (\$400,000).

10 SECTION 11. Be it further enacted by the County Council of Harford County, Maryland
11 that if the indebtedness herein authorized is represented by bonds, the bonds shall bear interest at the
12 rate or rates named by the successful bidder for or purchaser of, the bonds, upon written
13 recommendation of the County Executive of Harford County, Maryland (the "County Executive"),
14 by administrative resolution of the County Council of Harford County, Maryland, and said interest
15 shall be payable on such other dates as may be approved in the Resolution in each of the years that
16 the bonds are outstanding. Interest on the bonds will be payable by check or draft of the County or a
17 Paying Agent mailed to the registered owners thereof. The bonds, when issued, shall be executed in
18 the name of the County, by the facsimile signature of the County Executive, and a facsimile of the
19 corporate seal of the County shall be imprinted on each of the bonds attested by the facsimile
20 signature of the Director of Administration of the County and the manual signature of an authorized
21 officer of the Bond Registrar. The facsimiles of said signature and said seal shall be engraved,
22 printed or lithographed on each of the bonds in accordance with, and pursuant to the authority of
23 Sections 2-301 through 2-306 inclusive of the State Finance and Procurement Article of the
24 Annotated Code of Maryland (1995 Replacement Volume and 2000 Cumulative Supplement). If the

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1 indebtedness is represented by bonds, the bonds shall be subject to registration as to principal and
2 interest, in the name or names of the owner or owners thereof on books kept for that purpose at the
3 principal office of the County or a Bond Registrar and the principal of the bonds shall be payable upon
4 presentation and surrender thereof at the principal office of the County or a Paying Agent or the
5 ownership of the indebtedness may, pursuant to Executive Order of the County Executive, be
6 maintained by a book entry system. The Bond Registrar (if any) and Bond Paying Agent (if any) shall
7 be determined by Executive Order of the County Executive. Payment of interest on the bonds shall be
8 made by the County or a Paying Agent on each payment date, to each person appearing on the
9 registration books of the County, maintained by the Bond Registrar, as the registered owner thereof,
10 by check or draft mailed to each such registered owner at his or her address as it appears on such
11 registration books. There shall be printed on each bond the text of the approving legal opinion of bond
12 counsel with respect to the bonds. Except as provided hereinafter or in an Executive Order of the
13 County Executive prior to the issuance of the bonds, if the indebtedness authorized herein is
14 represented by bonds, the bonds shall be in substantially the following form, which form, together
15 with all covenants and conditions therein contained, is hereby adopted by the County Council of
16 Harford County, Maryland as and for the form of obligation to be incurred by the County, and said
17 covenants and conditions, including the promise to pay therein contained, are hereby made binding
18 upon the County, in accordance with the endorsement on said bonds:

19

UNITED STATES OF AMERICA

STATE OF MARYLAND

HARFORD COUNTY, MARYLAND

HARFORD COUNTY ROAD BOND OF 2001

No.

No.

Registered Owner:

\$5,000

\$5,000

(Dated October 1, 2001)

HARFORD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland, hereby acknowledges itself indebted and, for value received, promises to pay to the registered owner or registered assignees of this bond, the principal sum of FIVE THOUSAND DOLLARS (\$5,000)

on _____,

upon presentation and surrender of this bond and to pay interest thereon, from the date of this bond at the rate of _____ percent (____%) per annum until payment of said principal sum, such interest to the maturity hereof being payable on April 1, 2002, and semiannually thereafter on the first days of October and April and in each year by check or draft of the Paying Agent (hereinafter described) mailed to the registered owners of record as interest becomes due and payable.

Both the principal of and interest on this bond will be paid in lawful money of the United States of America, at the time of payment, at the principal office of _____, Baltimore, Maryland ("Paying Agent").

This bond shall be registered in the name of the owner on the registration books kept for that purpose at the principal office of _____ ("Bond Registrar"), and such registration shall be noted on the back of this bond, after which no transfer hereof shall be valid unless made on the

1 said registration books by the registered owner hereof in person or by his duly authorized attorney,
2 and similarly noted on this bond. The County, Bond Registrar and Paying Agent may deem and treat
3 the person in whose name this bond is registered as the absolute owner hereof for all purposes. This
4 bond, upon surrender hereof at the principal office of the Bond Registrar with a written instrument of
5 transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof, or his (her)
6 duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an
7 equal aggregate principal amount of bonds of authorized denominations and of the same form and
8 tenor as this bond. For every such exchange or transfer of bonds, the County or the Bond Registrar
9 shall make a charge for any tax or other governmental charge required to be paid with respect to such
10 exchange or transfer. Such charge shall be paid by the registered owner requesting such exchange or
11 transfer as a condition precedent to the exercise of such privilege. The Bond Registrar shall not be
12 obligated to make any such exchange or transfer of bonds during the fifteen (15) days next preceding
13 an interest payment date on the bonds, or in case of any proposed redemption of bonds, during the
14 fifteen (15) days next preceding the date of the publication of notice of such redemption. The Bond
15 Registrar shall not be required to make any transfer or exchange of any bonds called for redemption.

16 This bond is one of a duly authorized issue or series of bonds aggregating Four Hundred
17 Thousand Dollars (\$400,000) in principal amount.

18 The full faith and credit and unlimited taxing power of Harford County, Maryland, is pledged
19 to the punctual payment of the principal of and interest on this bond according to its terms, and said
20 County covenants and agrees punctually to pay the principal of this bond and the interest thereon, at
21 the dates and in the manner mentioned herein.

22 The bonds of the issue which mature on or before October 1, ____, are not subject to
23 redemption prior to their maturities. The bonds which mature on or after October 1, ____, shall be
24 subject to redemption as a whole at any time or in part on any interest payment date, and in any order

of maturity, at the option of the County on October 1, ____, or on any redemption date thereafter upon notice of call for redemption given by publication at least thirty (30) days prior to the date of redemption in a newspaper published and circulating in Harford County and in the City of Baltimore, Maryland, and also in a financial newspaper published and circulating in the City of New York, New York, at a redemption price, expressed as a percentage of the principal amount of the bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption.

Date of Redemption

Optional Redemption Price

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds to be redeemed shall be selected by lot by _____, _____, _____, Paying Agent.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity and neither the members of the County Council of Harford County, Maryland nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter and Code of Harford County and the Ordinance and Resolution above referred to, and that the issue of bonds of which this is one, together

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1 with all other indebtedness of Harford County, is within every debt and other limit prescribed by the
2 Constitution and laws of said State and the Charter and Code of Harford County, and that due
3 provision has been made for the levy and collection, if and when necessary, of an annual *ad valorem*
4 tax or taxes upon all the legally assessable property within the corporate limits of Harford County,
5 Maryland, as prescribed by law, in rate and amount sufficient to provide for the payment, when due, of
6 the interest on and the principal of this bond.

7 IN WITNESS WHEREOF Harford County, Maryland, has caused this bond to be executed in
8 its name by the facsimile signature of the County Executive, which signature has been imprinted
9 thereon, and has also caused a facsimile of its corporate seal to be imprinted hereon, attested by the
10 facsimile signature of the Director of Administration, and the manual signature of an authorized
11 officer of the Bond Registrar, all as of the ____ day of _____, 2001.

12 ATTEST:

HARFORD COUNTY, MARYLAND

13
14
15 _____
16 Director of Administration
17

By: _____
County Executive

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of Harford County, Maryland Road Bond of 2001.

Authorized Officer

(Form of Registration)

(No writing hereon except by an officer of _____, Baltimore, Maryland, Bond Registrar.)

<u>Date of Registry</u>	<u>Name of Registered Holder</u>	<u>Registered By</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

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PAYMENT GRID

1				
2				
3				
4	<u>Date of</u>	<u>Principal</u>	<u>Principal</u>	<u>Holder</u>
5	<u>Payment</u>	<u>Amount Paid</u>	<u>Amount Outstanding</u>	<u>Signature</u>
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ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(please insert name and address of the assignee)

(Tax Identification or Social Security No. _____)

the within bond, and hereby irrevocably constitutes and appoints

attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Date:

Signature guaranteed: _____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

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1 SECTION 12. Be it further enacted by the County Council of Harford County, Maryland
2 that if the indebtedness herein authorized is represented by bonds, unless the County Council
3 determines by resolution that the indebtedness shall be sold at private, negotiated sale, the bonds
4 shall be sold by bids in sealed proposals and/or electronic bid form to the bidder therefor for cash
5 whose bid is deemed to be for the best interest of Harford County, Maryland, after giving at least ten
6 (10) days' public notice by advertisement inserted twice in one or more daily or weekly newspapers
7 having a general circulation in the County, said sale to be held not sooner than ten (10) days
8 following the first insertion of said advertisement. Said advertisement or a summary thereof shall
9 also be published in "The Bond Buyer", a financial journal published in the City of New York. The
10 Award of the Bonds, if made, shall be approved by resolution of the County Council of Harford
11 County, Maryland after written recommendation of the County Executive, to the bidder offering the
12 lowest interest cost determined in accordance with the true interest cost method (TIC).

13 SECTION 13. Be it further enacted by the County Council of Harford County, Maryland
14 that the official Notice of Sale, if any, shall be in substantially the form approved by the resolution of
15 the County Council of Harford County, Maryland.

16 SECTION 14. Be it further enacted by the County Council of Harford County, Maryland
17 that upon request of the County Executive, the County Council of Harford County, Maryland may, at
18 any time, prior to the sale of the bonds, by administrative resolution(s), determine whether the bonds
19 may be sold above or below par, whether bids (if sold at public sale) may be accepted electronically
20 or by facsimile, change the projects to be constructed with the proceeds of sale of the bonds and the
21 County Executive, by Executive Order may determine or change the Notice of Sale, date of sale, the
22 date or location of bid (if sold at public sale) opening, the dates of maturity or redemption of the
23 bonds, the amount of the bonds to be sold (but not in excess of Four Hundred Thousand Dollars
24 (\$400,000) and the amounts of bonds maturing in each year, the interest payment dates of the bonds,

1 appoint paying agent(s) and/or registrar(s) for the bonds, whether ownership of the bonds or other
2 indebtedness shall be maintained in book entry form, and the terms of sale of the bonds.

3 SECTION 15. Be it further enacted by the County Council of Harford County, Maryland
4 that immediately after the sale of the bonds, and upon written recommendation of the County
5 Executive the interest rate or rates payable thereon shall be fixed by a resolution of the County
6 Council of Harford County, Maryland in accordance with the terms and conditions of the sale of the
7 bonds. The bonds shall thereupon be suitably printed or engraved and duly executed and delivered
8 to the purchaser (or to the Depository Trust Company if the bonds are book entry) in accordance
9 with the conditions of delivery set forth in the foregoing Notice of Sale. The proceeds of the sale of
10 the bonds, including any premium and accrued interest received therefor, shall be paid to the
11 Department of the Treasury of Harford County and shall be deposited in a special account of the
12 County. The County may, at its option, deduct from the gross proceeds received from the sale of the
13 bonds the cost of issuing the same, including the cost of advertising, printing and professional fees
14 (including legal) and expenses. There shall be deducted from the total gross proceeds received from
15 the sale of the bonds the amount received on account of accrued interest on the bonds, which amount
16 shall be set apart by the Treasurer of Harford County in a special fund and applied to the first
17 maturing interest payment on the bonds. The balance of the proceeds of the sale of the bonds shall
18 be expended only to finance the Projects as set forth in this Ordinance and as more particularly
19 described in the Annual Budget and Appropriation Ordinances of the County, as amended, for the
20 year ending June 30, 2002. If the funds derived from the sale of the bonds shall exceed the amount
21 needed to finance said Projects, the excess funds so borrowed and not expended by the County shall
22 be applied by the County in payment of the next principal maturity of the bonds so issued, unless the
23 County Council of Harford County, Maryland shall adopt a resolution or ordinance allocating said
24 excess funds to finance any lawful modification of such Projects, or to the extent then permitted by

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1 law, any other project lawfully undertaken by the County, as may be provided by subsequent
2 resolution or ordinance approved by the County Council of Harford County, Maryland.

3 SECTION 16. Be it further enacted by the County Council of Harford County, Maryland
4 that, for the purpose of paying the interest on, premium, (if any) and principal of the bonds or other
5 indebtedness authorized by this Ordinance, there is hereby levied and there shall hereafter be levied
6 in each fiscal year that any of the bonds or other indebtedness are outstanding, *ad valorem* taxes on
7 real and tangible personal property and intangible property subject to taxation by the County without
8 limitation on rate or amount; and, in addition, upon such other intangible property as may be subject
9 to taxation by the County within limitations prescribed by law, in an amount sufficient together with
10 funds available from other sources, to pay the annual interest on the outstanding bonds or other
11 indebtedness and to redeem the bonds or other indebtedness maturing during the succeeding year;
12 and the full faith and credit and the unlimited taxing power of the County are hereby irrevocably
13 pledged to the punctual payment of the principal of and interest on the bonds or other indebtedness
14 as and when they mature. The County by the passage of this Ordinance hereby covenants and agrees
15 properly and promptly to perform all of the respective acts and duties defined in this Ordinance for
16 the levy and collection of the aforesaid *ad valorem* tax upon all the assessable property within the
17 corporate limits of the County, as the levy and collection of such a tax becomes necessary in order to
18 meet the debt service requirements of Harford County Road Bonds of 2001. By this Ordinance, the
19 County agrees to take all action it may be legally authorized and empowered to take in order to
20 enforce, in any year in which any of the bonds or other indebtedness are outstanding, the guarantee
21 of such bonds or other indebtedness by the County.

22 SECTION 17. Be it further enacted by the County Council of Harford County, Maryland
23 that the County is hereby authorized and empowered from time to time to issue its Bond
24 Anticipation Note or Notes on the full faith and credit and unlimited taxing power of the County in

1 an amount not exceeding Four Hundred Thousand Dollars (\$400,000), the net proceeds of such sale
2 to be used to finance part or all of the cost of the Project; the sale of such Notes to be upon such
3 terms as may be directed by resolution of the County Council of Harford County, Maryland.

4 Such Bond Anticipation Note or Notes or other evidence of indebtedness shall not have a
5 maturity in excess of twelve (12) months from the date of issue.

6 The Treasurer of Harford County, Maryland, prior to the issuance of any such Bond
7 Anticipation Note or Notes or other evidence of indebtedness of the County shall present the terms
8 of such notes to the County Council of Harford County, Maryland for approval by Resolution of the
9 County Council of Harford County, Maryland prior to the issuance of such Bond Anticipation Note
10 or Notes.

11 The Bond Anticipation Note or Notes will bear interest at the rate or rates so negotiated by
12 the Treasurer and approved by Resolution of the County Council of Harford County, Maryland and
13 the Bond Anticipation Note or Notes when issued shall be issued in the name of the County by the
14 signature of the County Executive, the corporate seal of the County shall be imprinted on such Bond
15 Anticipation Note or Notes and such Bond Anticipation Note or Notes shall be used only for those
16 purposes approved in a Resolution of the County Council of Harford County, Maryland adopted
17 subsequent to the adoption of this Ordinance.

18 The Bond Anticipation Note or Notes shall not be issued in an amount greater than the
19 amount of bonds or other indebtedness authorized in anticipation of the sale of which the Bond
20 Anticipation Note or Notes are issued and sold.

21 The principal of and interest on the Bond Anticipation Note or Notes shall be payable out of
22 the first proceeds of sale of the bonds, or from the tax or other revenue which the County shall
23 previously determine to apply to the payment of the bonds and interest thereon.

1 Twelve (12) months interest on the Bond Anticipation Note or Notes or any renewal thereof
2 may be paid from the proceeds of the Bond Anticipation Note or Notes from the proceeds of sale of
3 the bonds accounting from the initial date of issue thereof.

4 By resolution adopted by the County Council of Harford County, Maryland, the County may
5 provide for the renewal of the Bond Anticipation Note or Notes at maturity with or without resale.

6 Immediately after the sale of the Bond Anticipation Note or Notes and approval by resolution
7 of the County Council of Harford County, Maryland, the proceeds of sale of such Bond Anticipation
8 Note or Notes, after payment of expenses of issuing the same, shall be paid to the Department of the
9 Treasury of Harford County, Maryland. The proceeds of sale of the Bond Anticipation Note or
10 Notes shall be expended only to finance the Project as defined above.

11 SECTION 18. Be it further enacted by the County Council of Harford County, Maryland
12 that pursuant to Treasury Regulations 1.150-2, governing the use of bond proceeds for the purpose of
13 reimbursing expenditures paid prior to the issuance of bonds, and as permitted by Treasury
14 Regulations 1.150-2(e)(1), the Treasurer of Harford County, Maryland is hereby duly designated to
15 make declarations of Official Intent on behalf of the County. The County expects that all or a part of
16 the capital expenditures for the Project will be paid prior to the issuance of the Bonds, and that the
17 proceeds of the Bonds will be used to reimburse the County for capital expenditures paid prior to the
18 issuance of the Bonds. The County reasonably expects to reimburse a portion of the capital
19 expenditures for the Projects with proceeds of the Bonds, in the maximum principal amount of Four
20 Hundred Thousand Dollars (\$400,000), and this Ordinance shall be available for public inspection at
21 the offices of the County during regular business hours and in accordance with the laws of the State
22 of Maryland and the County, regarding access to public records.
23

1 SECTION 19. Be it further enacted by the County Council of Harford County, Maryland
2 that the County covenants and agrees with the registered owners, from time to time, of the Bonds as
3 follows:

4 (a) The County covenants that it will not make any use of the proceeds of any of the
5 Bonds or any moneys, securities or other obligations on deposit to the credit of the County or
6 otherwise which may be deemed by the Internal Revenue Service to be proceeds of any of the Bonds
7 pursuant to the Internal Revenue Code of 1986, as amended, and Income Tax Regulations thereunder
8 (collectively, the "Code"), which would cause any of the Bonds to be "arbitrage bonds" or "private
9 activity bonds" within the meaning of the Code.

10 (b) The County further covenants that it will comply with those provisions of the
11 Code which are applicable to the Bonds on the date of issuance of the Bonds and which may
12 subsequently lawfully be made applicable to the Bonds. To the extent that provisions of the Code
13 apply to only a portion of the Bonds, proceeds of the Bonds or other moneys, securities or other
14 obligations deemed to be proceeds, it is intended that the covenants of the County contained in this
15 Section 19 be construed so as to require the County to comply with the provisions of the Code only
16 to the extent of such applicability.

17 (c) The County further covenants that it will not (i) take any action, (ii) fail to take
18 any action, or (iii) make any use of the proceeds of any of the Bonds which would cause the interest
19 on any of the Bonds to be or become subject to federal income taxes in the hands of the registered
20 holders of any of the Bonds.

21 (d) The County further covenants, in order to assist bidders in complying with SEC
22 Rule 15c2-12(b)(5), pursuant to a continuing disclosure agreement (the "Continuing Disclosure
23 Agreement") signed by the County Executive, Treasurer and Director of Administration, to provide
24 annual reports and notices of certain events. The undertaking of the County in the Continuing

1 Disclosure Agreement shall be described in any Preliminary Official Statement and Official
2 Statement and any amendment or supplement thereto.

3 SECTION 20. Be it further enacted by the County Council of Harford County, Maryland
4 that upon recommendation of the County Executive, the County Council of Harford County,
5 Maryland may adopt a resolution pursuant to Article 31, Section 2C of the Annotated Code of
6 Maryland (1998 Replacement Volume, 2000 Supplement) authorizing the loan authorized to be
7 incurred and the bonds authorized to be sold by this Ordinance, to be consolidated for sale and
8 issued, sold and delivered as a single issue of bonds with other bonds authorized to be sold to finance
9 capital projects described in the Annual Budget and Appropriation Ordinances, as amended, for the
10 current fiscal year and/or prior fiscal years.

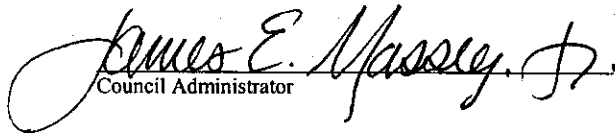
11 SECTION 21. Be it further enacted by the County Council of Harford County, Maryland
12 that the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or
13 part hereof is held illegal, invalid or unconstitutional or inapplicable to any person or circumstances,
14 such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of
15 the remaining provisions, sentences, clauses, sections or parts of this Ordinance or their application
16 to other persons or circumstances. It is hereby declared to be the legislative intent that this
17 Ordinance would have been passed if such illegal, invalid or unconstitutional provision, sentence,
18 clause, section or part had not been included herein, as if the person or circumstances to which this
19 Ordinance or any part hereof are inapplicable had been specifically exempted therefrom.

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SECTION 22. And be it further enacted by the County Council of Harford County, Maryland
that this Ordinance shall take effect sixty (60) calendar days from the date it became law.

EFFECTIVE:

The Council Administrator of the Council does hereby
certify that fifteen (15) copies of this Bill are immediately
available for distribution to the public and the press.


Council Administrator

BILL NO. 01-14

HARFORD COUNTY BILL NO. 01-14

Brief Title) Road Bond of 2001 - Technology Drive Extension - Stadium

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

Administrator

Date _____

Date _____

BY THE COUNCIL

Read the third time.

Passed: LSD _____

Failed of Passage: LSD 01-24 (July 10, 2001)

By Order

James E. Massey, Jr.
Council Administrator

Sealed with the County Seal and presented to the County Executive for approval this _____ day of _____, 2001, at _____ p.m.

Council Administrator

BY THE EXECUTIVE

COUNTY EXECUTIVE

APPROVED: _____ Date _____

BY THE COUNCIL

BILL NO. 01-14